MICHAEL PANZARA, M.D.

IN THE UNITED STATES DISTRICT COURT

FOR THE SOUTHERN DISTRICT OF NEW YORK

UMB BANK, N.A., as Trustees, Plaintiff, v. SANOFI, Defendant.	CIVIL ACTION NO. 15 Civ. 08725(GBD)

CONFIDENTIAL

VIDEOTAPED DEPOSITION

OF MICHAEL PANZARA, M.D.

DATE: October 24, 2017

TIME: 9:52 a.m.

HELD AT: Weil, Gotshal & Manges LLP
100 Federal Street
Floor 34
Boston, Massachusetts

By: Sarah J. Miner, LSR #238

JOB NO. 130151

acquisition, what -- can you describe kind of the -- the areas of work that you were responsible for at that time?

A. So I -- my first job on coming in was to oversee the Lemtrada or the alemtuzumab development program. I was responsible for evaluating that program and it was underway at the time. It had already initiated phase three studies. And I was responsible for taking the leadership of that program and then developing a strategy for eventual regulatory approval.

I was also responsible for building out additional pipeline with other treatments for multiple sclerosis and also was responsible for the immunology portfolio because I had a background in immunology. That was an area that Genzyme was interested in moving into, so that was an area that also I was involved in developing a strategy.

Q. And who did you report to at the time of -- prior to Sanofi's acquisition?

A. So I reported in to a man named Richard Polisson, and he was the head of -- at the time was a group called biosurgery and rheumatology or immunology, I can't remember specifically. And MS,

products we were developing were successful because of the importance of the MS franchise to future of Sanofi as a whole.

BY MR. LECOURS:

Q. But was at all times Gynzyme a separate corporate entity? Is that your understanding?

MR. NEUWIRTH: Objection to the form. Go ahead.

THE WITNESS: That's not my -- I mean, I couldn't say when they switched from one entity to the other. That is not my area.

BY MR. LECOURS:

Q. Are you familiar at all with the contingent value rights agreement entered into between Sanofi and Genzyme in connection -- or Sanofi and a trustee in connection with the merger?

A. When we were acquired as I was legacy Genzyme, we knew that we were being awarded CVRs. And I at that time did not know what a CVR was, so I educated myself on what they were because I received some.

Q. And did others educate you about CVRs within the company?

A. Yeah. There was a variety of communications

and explanations about what these were because they were a new entity for many of us, and the understanding of the direct linkage to Lemtrada because I was overseeing the MS portfolio. So the direct linkage to Lemtrada was important to communicate within my team.

Q. What did you understand that linkage to be?

A. My --

MR. NEUWIRTH: Just a quick caution, not to interrupt. But if you can answer these questions without disclosing any potentially privileged legal advice, go ahead.

THE WITNESS: Sure. Absolutely. Can you repeat the question, please?

BY MR. LECOURS:

Q. What did you understand the linkage that you described between the CVRs and Lemtrada to be?

A. What I understood is that there were milestones. That the initial one for Lemtrada was the approval milestone, and that there --

Q. What milestone?

A. The approval -- or I should say -- yeah, the approval milestone. And then I understood that there were different revenue milestones, though I didn't

study up on what those thresholds were.

Q. Did you ever review the CVR agreement itself?

A. Yes. When -- again, when I inherited -- I -- I reviewed the milestone portion about what they were so I knew what they were ahead of time. I didn't review the entire agreement. I just focused on the milestones.

Q. When you say "focused on the milestones," did you have meetings with persons at Genzyme or Sanofi concerning the achievement of those milestones?

A. The only meetings that I recall are meetings with members of my team who had questions about them and were asking what they meant.

Q. And did you have any conversations, aside from conversations with counsel, concerning the milestones?

A. There were certainly over the course of the -- so the time period of the acquisition was a time period where we were trying to learn a lot about what it meant for Genzyme. So there were a lot of sidebar hallway conversations about what this meant. So it is, yes, there were conversations of that nature because we were all trying to learn what these things were.

Q. Were there any conversations other than with counsel about the potential achievement or non-achievement of milestones that you were involved with -- in?

A. Milestones. We always talk about achieving milestones as part of drug development.

Q. Well, I am just talking about the specific milestones in the CVR agreement, internal-wise?

A. Yeah, there were discussions about the importance of meeting a -- the date, especially the approval date of -- because that was the part under our control as specified in the CVR milestones, yes.

Q. So you testified that the MS program at Sanofi was shifted over to Genzyme on or after the acquisition. Is that correct?

A. That is correct.

Q. What was your assessment of that MS program that you -- was shifted over to your leadership after the acquisition?

A. Well, once I was able to oversee that program, one of the first things I did was to learn as much as I could about the program. My assessment of it at that time was that it had very strong efficacy data, though not at a level that would be expected for

endpoints described --

A. Sure.

Q. -- primary endpoints?

A. Primary endpoints. So the first endpoint was disability. It was also known as SAD, a Sustained Accumulation of Disability. That was measured by a scale known as the Expanded Disability Status Scale, or the EDSS. This is a 10 -- 10-point or it is about a 20-step ordinal scale where patients can progress at different levels of accumulation of physical impairment with zero being completely normal and no sign of MS and 10 being death due to multiple sclerosis.

Q. And EDSS is a logarithmic scale. Right?

A. It is not logarithmic scale.

Q. No?

A. It's an ordinal scale.

Q. Ordinal.

A. It is clear steps. It is also a non-linear scale where it steps in unequal steps, which is one of the challenges of the EDSS where in the low end of the scale you can go from having -- being completely normal at zero. When you get to about a 3 or a 4 on the EDSS scale, you are starting to have some

[redacted]

Q. What are sensitivity analyses?

A. Sensitivity analyses are where you -- you do a core analysis or a primary analysis or one of your

key analyses, and then you change different variables around that analysis to pressure test the robustness of that primary analysis. So you may -- the example I always give for safety events is you might, you know, look at people on the extremes in terms of the types of things they see on the extremes and you sort of see how the middle compares to the extremes. It is just a way of testing the robustness of your primary analysis.

[redacted]

Q. Turn to the slide that ends in 285.

A. 285?

Q. Uh-huh.

A. Uh-huh.

[redacted]

[redacted]

BY MR. LECOURS:

Q. If you know, what is the substantive difference between the contents of the two different applications for alemtuzumab, SBLA versus BLA?

A. I don't know.